

## University of the Highlands and Islands

**Committee** Further Education Regional Board (FERB)  
**Date & Time** 25<sup>th</sup> November 2015 at 14.00  
**Location** EO1 Ness Walk, Inverness  
**Purpose** Scheduled meeting  
**Quorum** Half plus one.

**Present**

Michael Foxley (Chair)	Chair (Designate) Inverness College UHI
Neil Stewart	Chair of Perth College UHI
Grant Myles	Chair West Highland College VC
John Hutcheson	Chair North Highland College
Niall Smith	Independent Member – Director of Education VC
Wilf Weir	Independent Member
Calum MacPherson	Independent Member VC
Lisa Massie	Staff Member
Patrick O'Donnell	HISA President
Luke Humberstone	FE Student Member VC
Lorna Stanger	Chair NAFC
David Sandison	Representative SMO Board of Management
Aideen O'Malley	Chair Argyll College UHI
Andrew Campbell	SDS
Gordon McGuinness	Associate Principal FE
Mike Devenney	

**In attendance**

Lydia Rohmer Principal of West Highland College UHI  
 Fiona Larg UHI Chief Operating Officer and Secretary  
 Clive Mulholland Principal and Vice Chancellor  
 Morven Cameron VC  
 Roger Sendall (*minutes*)

**Apologies** Patrick O'Donnell, Jana Hutt, Peter Campbell, Brian Chaplin, Bruce Ritchie, Carroll Buxton, Crichton Lang.

**Agenda Item**

**Action**

**1 WELCOME**

The Chairman opened the meeting and noted that a quorum was present.

**Declarations of interest:** None

**AOCB:** None.

**2 MINUTES**

2.1 The minutes of the meeting held on 3<sup>rd</sup> September 2015 (FERB15-032) were reviewed and approved.

- 2.2 The committee considered the matters arising paper (FERB15-033). The following points were noted:
- 4.5 – A spreadsheet of AP BOM terms of office would be prepared and circulated to members for information.
  - National Bargaining had been added to the FE risk register.
  - The proposed transfer of staff and launch of UHI Shared Services Ltd had been postponed as the proposed solution did not have an appropriate level of support or sufficient focus on delivering cost savings in the current financial environment.
- 2.3 The draft minutes of the FE Executive Board meeting held on 19 November 2015 21<sup>st</sup> (FERB15-034) were noted.

### 3 CHAIRMANS REPORT

It was noted that the Chair planned to organise some seminars and briefing sessions for members of the FERB that would be separate to quarterly business meetings so as to provide opportunity for members to examine some of the key issues affecting the sector in greater detail. It was noted that the seminars would be held on the same day as FERB and that Principals will also be invited.

Chair/  
APFE

### 4 GOVERNANCE PLANNING & FUNDING ISSUES

#### 4.1 Student Activity Levels Session 2014/15

FERB noted paper FERB15-035 providing a summary report of regional and individual partner's performance against student activity targets for the previous academic year. FERB was pleased to note that the region had exceeded its overall student number target, however, it was noted that this result had only been achieved as a result of some partners over performing whereas others had failed to meet their agreed activity targets and this was a matter of concern that required further consideration and whilst there was no risk of clawback from individual colleges FERB would consider the need to vire funding and offer places to over performing partners (10 colleges had over performed, 2 colleges had under delivered). It was noted that these issues were being considered by FEEB in the context of the SFC's new credit based system and that recommendations would be presented to the next meeting of FERB for consideration in February 2016. It was also noted that the APFE was progressing a collaborative agreement between SC and NAFC.

APFE

#### 4.2 Student Activity Levels 2015/16 and ESIF

FERB discussed paper FERB15-036 providing an update on developments with ESIF funding for curriculum development and growth initiatives and the associated issues and challenges that were resulting from delays to funding being released and distributed by lead authorities. Members noted that ESIF additional activity would not attract any rurality funding making it less attractive to some partners. It was noted that FERB would receive a presentation on the key issues affecting this activity in February 2016.

APFE

#### 4.3 Development of Regional Outcome Agreement 2016/17

FERB noted paper FERB15-037 relating to the development of the current regional Outcome Agreement. It was noted that this was the final year of a three year agreement with the SFC and that a new OA would be developed next year covering both FE and HE activity.

It was noted that the APFE would meet with HISA representatives to develop outcomes and

APFE/

performance measures centred on student engagement. The APFE would also develop information and narrative in relation to work undertaken linking with schools and on improving attainment levels for earners from rural/deprived areas.

HISA

#### 4.4 The Highlands and Islands Work-Based Learning Hub

FERB noted paper FERB15-038 providing an update on the activities of the Highlands and Islands Work-Based Learning regional hub and associated income streams. FERB was pleased to note that good progress had been achieved and agreed to invite Diane Rawlinson the Vice Principal for Work Based Learning to attend and address the next meeting of FERB.

APFE

#### 4.5 Regional Quality Monitoring 2014/15

FERB noted paper FERB15-039 providing a report of various actions taken to ensure that there was sufficient evidence of attainment of against agreed KPIs. It was noted that additional information was required from some partners.

APFE

#### 4.6 National Developments

FERB noted paper FERB15-040 on various current developments including an offer from Colleges Scotland to progress a regional study on the economic value of colleges to their regions. It was noted that members considered that there was a need to quantify more specifically how colleges made use of rurality funding to benefit affected learners and agreed to accept the offer.

APFE

#### 4.7 Deferred to end of meeting.

#### 4.8 National Bargaining

FERB noted that the National Bargaining process was continuing and that to date teaching unions had rejected a 1% pay offer (support staff £300 or 1% up to £30k and 1% consolidated for teaching staff FTE equivalent). A further update would be provided to members in due course.

APFE

#### 4.9 Audit Scotland – audit of Regional Strategic Bodies

The COOS reported that Audit Scotland would progress an audit of RSBs early in 2016. It was understood that the main focus of the audit would be on Glasgow and Lanarkshire RSBs as these two RSBs had not yet received approval from SFC to distribute funds directly with less focus on the Highlands & Islands.

#### 4.10 Scottish Government Task Group on College Governance

The COOS reported that the Scottish government had established a task group to review college governance in the context of recent failings with central belt colleges. This work was likely to have implications for APs.

### 5 RISK MANAGEMENT

#### 5.1 FE Risk Register

FERB noted paper FERB15-043 comprising the current FE Risk register. It was agreed to increase the impact score in relation to national bargaining. (Gross 5\*4 reducing to residual of 4\*4). This was on the basis that representations would reduce the likelihood of occurrence from Almost Certain 5 to Likely 4.

CGM

## 5.2 Audit Reports

FERB noted papers FERB15-044 a, b and c providing a brief explanation of WSUMs units of measurement, types of Student Support Funding and Education Maintenance Allowance provisions and associated assurance certificates for 2014/15.

## 4.7 College Financial Information

FERB considered paper FERB15-040 providing an update on the financial position of assigned colleges and a verbal update from the Chair in connection with a report received from the Chair of Moray College in relation to a recent issue of financial difficulties resulting in the need for the University to provide the college with a cash advance.

FERB was disappointed to note that the financial data provided within the paper was incomplete for some colleges and highlighted the need for college finance directors to provide accurate management accounts on a timely basis so as to ensure that FERB was able to meet its obligations in relation to financial monitoring. It was felt that the recent commitment made by partners to participate in the finance systems convergence project would significantly improve future reporting and monitoring capabilities.

FERB noted that two colleges (Moray and NHC) were currently experiencing significant budgetary challenges and that dialogue was being progressed with the college management, the University and SFC in an effort to resolve these issues.

The Chair reported that the Chair of Moray College had advised that the financial problems experienced at the college were related to cashflow issues. The cash advance provided by the University had been repaid in full. In addition it was reported that the college had undertaken a review of its budgetary controls and a re-profiling of expenditure and was now predicting a surplus budget position for the current year of approximately £67k.

The Finance and General Purposes Committee was currently awaiting evidence from the college to underpin new budgetary assumptions so as to ensure that these were reasonable and achievable without threatening the student experience.

## 6 DATE OF NEXT MEETING

Next meeting – 10<sup>th</sup> February 2016

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